

City of St. Charles

2002/2003 Financial Snapshot

This Financial Snapshot is a summary of the City's sources and use of funds, along with information that we hope will provide you with an understanding of how the City's financial decisions affect you.

The City's total budget is \$113.8 million. Funding the operation and construction of utilities is the largest use of funds (\$66.4 million) and user fees provide the largest source of revenue (42%). Sales tax provides 12%, and property tax funds 8%, of the City's total budget.

While the City has suffered some setbacks over the past two years, there have been some bright spots. Super Target, along with several other businesses, opened across from the Charlestowne Mall. Lowe's also recently opened on Randall Road. Finally, Al Piemonte announced that he will open a Cadillac dealership on the former St. Charles Manufacturing site (Main Street and Tyler). These businesses are important additions to our sales tax base.

The best news may be in projects that are still being planned. A community-developed concept plan for major river corridor improvements has been completed. This plan will create excitement along the river and make it the centerpiece for social activity and downtown economic development. The city is also excited about pursuing the redevelopment of the First Street area, which will be a dramatic change for this corridor, as well as a catalyst for more major redevelopment in the downtown.

It is our hope that this report will help you understand more about the City of St Charles' finances. We also hope you will better understand how your taxes are used to support City services and the value you receive for your tax dollars. Please feel free to contact the Finance Office with comments, questions or suggestions (377-4914/derickson@stcharlesil.gov).

Susan L. Klinkhamer

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Mayor

Annual Household Municipal Tax Burden

<i>Example</i> Tax Type	Total Value/Cost	Tax	<i>Calculate Your Own</i>
Electric	\$900	\$45	Amount of monthly electric bill x .05 = monthly tax x 12 = Annual Tax
Telecommunications	\$900	\$45	Amount of monthly phone bill x .05 = Monthly tax x 12 = Annual tax
Property	\$250,000	\$598	(Market value of home x .333 - 3,500) x .007489*
Food and Beverage Tax	\$7,800	\$78	Restaurant and liquor store food and beverage purchases x .01
Home Rule Sales	\$7,000	\$35	Annual Retail Purchases** x .005
Yard Waste/Spring Cleanup Fee		\$30	\$2.50 per month fixed cost \$30
Total Municipal Taxes/Fees		\$831	Total

* Includes \$3,500 homestead exemption. Please see your tax bill for other exemptions.

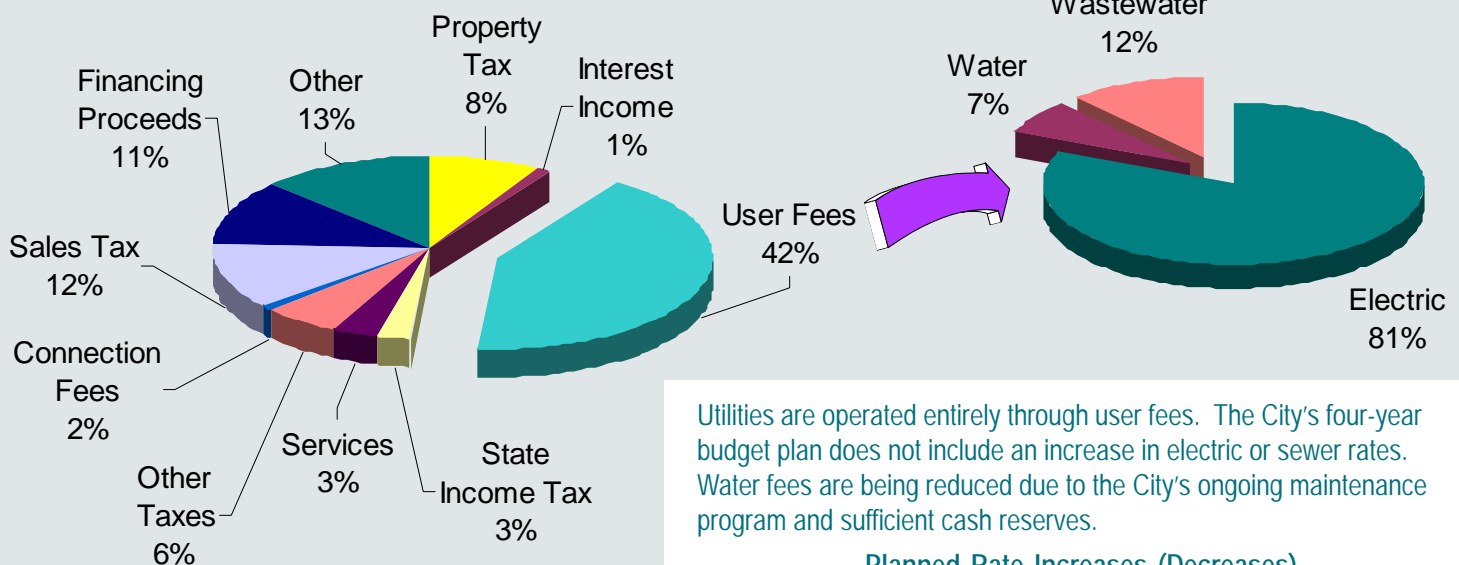
** All purchases made in St. Charles, not including groceries and automobiles.

Services that are provided with your taxes:

- Fire protection and prevention
- Police protection and emergency services
- Street maintenance and construction
- Dial-A-Ride (net cost)
- Cultural Commission and Visitor's Bureau
- Curb and gutter maintenance and replacement
- Storm sewer cleaning and maintenance
- Code enforcement and zoning control
- Brush pickup and spring cleanup (net of fees)
- Mosquito abatement
- Street cleaning
- Corridor improvement
- Snow and ice removal

Revenues

Total Revenues of \$105,260,400

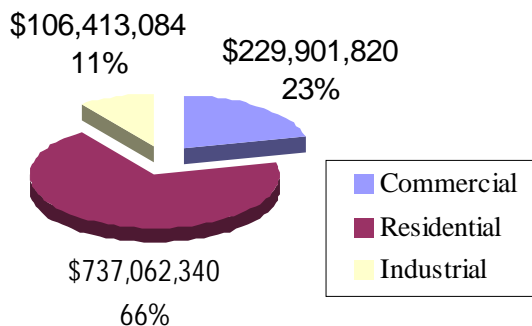


Utilities are operated entirely through user fees. The City's four-year budget plan does not include an increase in electric or sewer rates. Water fees are being reduced due to the City's ongoing maintenance program and sufficient cash reserves.

Planned Rate Increases (Decreases)

Fiscal Year	03/04	04/05	05/06	06/07
Electric	0%	0%	0%	0%
Water	(5%)	(5%)	(5%)	(5%)
Sewer	0%	0%	0%	0%

2002 Equalized Assessed Value



As the chart on the left shows, 66% of land use in St. Charles is for residential. The mix in St. Charles is appropriate to allow for convenient shopping and an industrial base to provide taxes and employment opportunities.

Rural and railroad are not displayed due to a value of less than .004%.

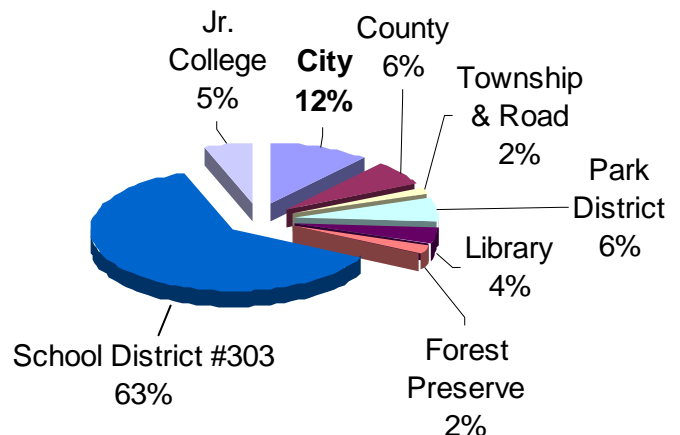
2002 Municipal Tax Rate Comparison In Same Local Area and/or Similar EAV

Municipality	Municipal Tax Rate	Municipal Taxes*
St. Charles	0.7489	\$598
Aurora	1.5370	\$1,227
Batavia	0.6210	\$496
Elgin	1.9223	\$1,535
Geneva	0.7394	\$590
Naperville	0.8750	\$699
West Chicago**	1.3225	\$1,056

* Based on a \$250,000 home

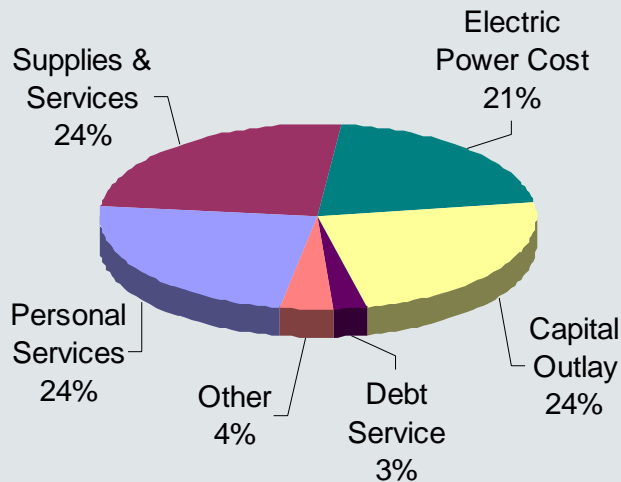
**Includes Fire Protection District

Property Tax Allocation 2002 Collected in 2003



Expenditures

Total Expenditures of \$113,791,900



Electric Power Cost: Cost paid to ComEd for wholesale electric power that is then sold to the residents at retail.

Capital Outlay: Expenditures that cost more than \$20,000 and have a useful life in excess of one year.

Debt Service: The amount paid to retire debt (similar to a home mortgage).

Personal Services: Wages and benefits paid to City employees.

Supplies and Services: Expenses related to normal operating supplies and contractual service provided by non-employees.

The City's finances are comprised of "funds" or sets of accounts used to record revenues and expenditures associated with a specific purpose. This is to ensure that money allocated for a certain purpose (Ex. electric power) is used only for that purpose.

(In Thousands)

Total Budget	Operating	Capital	Debt	Other
\$113,791.9	\$80,222.7	\$27,014.5	\$2,974.2	\$3,580.6

Total By Fund Type	Operating	Capital	Debt	Other	
General Corporate \$31,515.9	\$28,558.8	\$2,772.2	\$134.9	\$50.0	Covers general city services, such as police and fire protection, street maintenance, community development, and administration.
Enterprise \$66,383.9	\$39,316.6	\$22,688.4	\$1,352.1	\$3,026.8	Covers business type activities that are supported through user fees, which include electric, water, wastewater and refuse.
Special Revenue \$1,278.0	\$1,260.0	\$0.0	\$0.0	\$18.0	Funds derived from specific revenues to finance a particular function, such as ambulance, mental health, and motor fuel tax.
Fiduciary \$1,052.5	\$1,052.5	\$0.0	\$0.0	\$0.0	Police and fire pension funds benefit payments
Capital Projects \$1,059.9	\$159.9	\$900.0	\$0.0	\$0.0	Used for acquisition and/or construction of capital equipment and facilities
Debt Service \$2,853.5	\$1,366.3	\$0.0	\$1,487.2	\$0.0	Used for payment of principal and interest on general obligation debt.
Internal Service \$9,648.3	\$8,508.6	\$653.9	\$0.0	\$485.8	Used to account for goods and services provided by one department to other departments, such as inventory and fleet.

St. Charles Statistics

Population

2000 - 27,896
1990 - 22,620
1980 - 17,492

Government/General

Run by Mayor & City Council
Settled in 1834
Incorporated as a town in 1853
Incorporated as a city in 1874
Home Rule Community in 1994

Land Area

14.4 sq. miles

Public Works

Street Miles Maintained	162.7
Residential	116.5
Industrial	8.2
County	14.6
State	23.4

Electric Utility

Number of Customers

1990	10,314
1995	11,152
2000	12,341
2001	13,115
2002	14,230

Police Protection

Total Police Force - 57

Fire Protection

Full Time Fire Staff - 34
Fire Stations - 3

Water Utility

Average Annual Daily Pumpage (Million Gal.)

1990	1,291.92
2000	1,525.17
2001	1,635.80
2002	1,684.37

A full copy of the City Business Plan, budget and audit may be viewed at the St. Charles Library or at City Hall. The current Business Plan is also posted on the City's web site at stcharlesil.gov. Inquiries about the information in this report may be made to:

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